TOWNSEND and TOWNSEND and CREW

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June 20, 2007

## VIA EMAIL

Jaclyn M. Mason, Esq. Connolly Bove Lodge & Hutz LLP 1007 North Orange Street P.O. Box 2207 Wilmington, DE 19899-2207

Re:

Talecris Biotherapeutics, Inc. and Bayer Healthcare LLC v. Baxter International Inc. and Baxter Healthcare Corporation and related counterclaim U.S. District Court, District of Delaware, Case No. 05-349-GMS Our Reference 018652-004000

Dear Jaclyn:

This letter responds to your correspondence to Annie Rogaski regarding the expected trial testimony of Lawrence Guiheen, who is the President of the BioPharmaceuticals SBU of Baxter's BioScience division.

Mr. Guiheen, who has been employed by Baxter Healthcare ("Baxter") since 1978, will testify to topics otherwise covered primarily in the depositions of Ron Lloyd, Matt Fazio, Dennis Young and Angela Blackshere. Baxter expects he will testify on direct, for approximately 30 minutes, regarding:

- Baxter's historical and current involvement in the blood and plasma products industry, particularly that Baxter purified and sold Gammagard from 1986 1994, Gammagard S/D from 1994 present, and Gammagard Liquid from 2005 present. His testimony on this topic will include a discussion of the benefits of Gammagard Liquid that cannot be attributed to the purported invention disclosed in the '191 patent. Mr. Guiheen also will identify the other companies that sell IVIG products in the U.S. market in competition with Talecris and Baxter and the products that they sell.
- 2. Baxter's acquisition of Immuno A.G. in 1997, including its IVIG products, Iveegam and Endobulin.
- 3. Baxter's ownership and operation of blood and plasma collection centers, the cost of opening and operating those centers, the length of time to get plasma centers fully operational, the quantities of plasma obtained through them, and the costs of adding fractionation capacity. Mr. Guiheen will also testify that until 2005 Baxter

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fractionated and sold plasma products for the American Red Cross. Mr. Guiheen will further testify that Baxter acquired the Polygam business from the American Red Cross in 2005.

- 4. The past and present balance between the supply of plasma and IVIG and the demand for IVIG. Mr. Guiheen will testify that Baxter, Talecris and all other FDA-approved sellers of IVIG currently can and do sell as much IVIG product as they can make. He also will testify that forces such as reimbursement policies and doctor's practices of prescribing IVIG generically impact supply, demand and profitability. Similarly, Mr. Guiheen may speak about the relationship between CSL and the Australian government.
- 5. If a witness is needed to sponsor into evidence Baxter's license agreements regarding blood and plasma products, Mr. Guiheen will serve as that witness.
- 6. To the extent it is necessary to authenticate Baxter financial statements for trial, Mr. Guiheen would do so.

Very truly yours,

TOWNSEND AND TOWNSEND AND CREW LLP

Megan M. Chung

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cc: Philip A. Rovner, Potter Anderson & Corroon LLP (via email)
Bradford J. Badke, Ropes & Gray LLP (via email)